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Hearing Date: November 16, 2007
10:00 A.M.

Attorneys for Wilmington Trust Company,
as Indenture Trustee

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	
In re:	:
	:
DELPHI CORPORATON, <i>et al.</i> ,	:
	:
Debtors.	:
-----X	

Chapter 11
Case No. 05-44481 (RDD)
(Jointly Administered)

**OBJECTION OF WILMINGTON TRUST COMPANY, AS INDENTURE TRUSTEE, TO
MOTION UNDER 11 U.S.C. §§ 363 AND FED. R. BANKR. P. 2002, 6004, 9006, AND 9007
FOR ORDER AUTHORIZING DEBTORS' ENTRY INTO EXIT FACILITY
ENGAGEMENT AND FEE LETTERS AND PERFORMANCE THEREUNDER**

Wilmington Trust Company ("WTC"), as indenture trustee for the senior notes and debentures (the "Senior Debt") in the aggregate principal amount of \$2 billion issued by Delphi Corporation ("Delphi"), by and through its attorneys, Kirkpatrick & Lockhart Preston Gates Ellis LLP, hereby objects to the Motion Under 11 U.S.C. §§ 363 and Fed. R. Bankr. P. 2002, 6004, 9006, and 9007 for Order Authorizing Debtors' Entry into Exit Facility Engagement and Fee Letters and Performance Thereunder (the "Motion") filed by Delphi and its debtor subsidiaries and affiliates (collectively, the "Debtors"), stating as follows:

1. The Motion seeks permission for the Debtors to enter into fee and engagement letters in connection with their efforts to obtain the \$6.05 billion in financing needed to fund a plan of reorganization based on the Debtors' proposed amended Equity Purchase and

Commitment Agreement (the “Amended EPCA”) with a group of plan investors led by an affiliate of Appaloosa Management, L.P. (“Appaloosa”).

2. On November 6, 2007, however, Appaloosa filed a Schedule 13D/A (the “13D”)¹ with the Securities and Exchange Commission, in which it reported that “as a result of certain of the conditions set forth therein not being satisfied, the Revised Proposal [i.e. the Amended EPCA] terminated in accordance with its terms.” (p. 11).

3. In a press release dated November 9, 2007, the Debtors confirmed that:

[T]he conditions to the effectiveness of the Investment Agreement amendment announced on Oct. 30 were not satisfied prior to the Nov. 8 scheduled hearing. As a result, Delphi's Plan Investors are no longer obligated to execute the Oct. 30 amendment, although the underlying Investment Agreement remains effective in accordance with its terms as approved by the Bankruptcy Court in August, 2007.

Delphi Press Release dated November 9, 2007, a copy of which is annexed hereto as Exhibit B.

4. While WTC fully supports the Debtors’ efforts to obtain exit financing and emerge from bankruptcy as soon as reasonably possible, it is decidedly unclear whether the financing arrangements for which approval is sought by the Motion, which are apparently premised on approval of the Amended EPCA,² remain suited to the Debtors’ exit financing needs following the termination of the Amended EPCA.

5. Accordingly, because the Debtors have not offered any “good business reason” for continuing to seek the relief requested by the Motion in light of this material change of circumstances, the Motion should be denied. In re Lionel Corp., 722 F.2d 1063, 1071 (2d Cir. 1983).

¹ A copy of Appaloosa’s 13D is annexed hereto as Exhibit A.

² The Engagement Letter annexed to the Debtors’ Motion assumes that the Debtors’ plan will be financed with, among other things, an “equity investment and rights offering of a combined amount of not less than \$2.55 billion (the “Cash Equity Infusion”) backstopped by investors (the (“Plan Sponsors”) . . . ”

6. WTC reserves the right to supplement this objection as and when it might become appropriate to do so.

WHEREFORE, WTC respectfully requests the Court to enter an order denying the Motion, and granting such other and further relief as this Court deems just.

Dated: New York, New York
November 13, 2007

KIRKPATRICK & LOCKHART
PRESTON GATES ELLIS LLP

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